

MINUTES OF THE BOARD OF DIRECTORS MEETING
TIRZ 17 Redevelopment Authority/Memorial City Redevelopment Authority
City of Houston, Texas
July 12, 2011

The Board of Directors (the "Board") of the TIRZ 17 Redevelopment Authority/Memorial City Redevelopment Authority (the "Authority") met in regular session, open to the public, on July 12, 2011, in the HEB Community Room, 9710 Katy Freeway, Houston, Texas.

Board members in attendance:

Charles Turet, Chair
Ann T. Givens
Dan Moody, III
Dr. Zach Hodges
Ken Arnold
Glenn Airola

Board members not in attendance:

Brad Freels

Consultants in attendance:

Michelle Lofton - ETI Bookkeeping Services
Rafael Ortega, Derek St. John, Robert Fiederlein, and John Montalvo - Lockwood, Andrews & Newnam, Inc. ("LAN")
Jessica B. Holoubek and Susan Hostetler - Allen Boone Humphries Robinson LLP

Staff in attendance:

Pat Walters - Executive Director

City of Houston Representatives in attendance:

Todd Curry - Council Member Jolanda Jones' office
Mayuri Bhakta - Council Member Brenda Stardig's office
Jesse Bounds and Mary Clark - City of Houston (the "City")

1. Call Meeting to Order

Director Turet called the meeting to order. All agenda items were considered in order.

2. Public Comments

Mr. Chuck Davidson commented regarding the June 29, 2011, public meeting to review the Regional Drainage Study.

Ms. Virginia Gregory commented on the June 29, 2011, public meeting and on drainage at Bunker Hill and Briar Branch, and projects in the CIP.

Mr. Ed Brown commented regarding the Briar Branch Creek study.

Ms. Roberta Prazak commented on W156, the Regional Drainage Study, timing of projects, and plans for detention.

3. Minutes

The Board reviewed the minutes of the May 31, 2011, meeting. Following discussion, Director Moody moved to approve the minutes as submitted. The motion was seconded by Director Givens and carried by unanimous vote.

4. Financial and Bookkeeping Matters

Ms. Lofton reviewed the financial reports for May and June, and presented checks for payment by the Authority. Following review and discussion, Director Arnold moved to approve the financial reports and the payment of the bills presented. Director Hodges seconded the motion, and it passed unanimously.

5. Pledgee Agreement Form Regarding Account at Bank of America

Mr. Walters reviewed the Pledgee Agreement Form relating to collateralization of the Authority's funds at Bank of America. He reported the bank is required to contact the persons identified on the Pledgee Agreement Form regarding release of the pledged collateral relating to the Authority's account. Ms. Holoubek reported that the Authority's Depository Pledge Agreement with the bank provides that the bank will have 110% collateral coverage of the Authority's balance at all times, and that this form does not amend that requirement.

The Board discussed whom to appoint to confirm release of collateral. Following discussion, Director Moody moved to authorize execution of the Pledgee Agreement Form with Bank of America, reflecting that Director Turet and Mr. Walters are authorized to take action with respect to the account, including direction to release collateral from the account. The motion was seconded by Director Airola and carried by unanimous vote.

6. Kimberley Improvement Project

Mr. Fiederlein updated the Board regarding the Kimberley Improvement Project. He reported that Phases 2 and 3 of the project are substantially complete.

Mr. Fiederlein reviewed a revised Change Order No. 1 to the contract, in the amount of \$41,086.95. Mr. Fiederlein noted that the Board approved Change Order No. 1 at the May 31, 2011, meeting, however the amount of the change order has been revised slightly. Following review and discussion and based upon the engineer's recommendation, Director Hodges moved to approve revised Change Order No. 1 to the contract with Triple B Services, L.L.P., in the amount of \$41,086.95. The motion was seconded by Director Arnold and carried by unanimous vote.

The Board then reviewed Change Order No. 2 to the contract, for a credit of \$88,769. Mr. Fiederlein stated that Change Order No. 2 relates to the rehabilitation of the sanitary sewer line. He noted that Triple B Services, L.L.P. has approved the negotiated prices in Change Order No. 2, and that no days were added to the contract as a result of the change order. Following discussion and review and based upon the engineer's recommendation, Director Arnold moved to approve Change Order No. 2 to the contract with Triple B Services, L.L.P., for a credit of \$88,769. The motion was seconded by Director Hodges and carried by unanimous vote.

The Board reviewed and discussed Supplement No. 1 to LAN's Construction Management and Inspection Services Agreement for the Kimberley Improvement Project. Mr. Fiederlein reported that the total supplement amount requested is \$126,712.40. Following review and discussion, and based upon the engineer's recommendation, Director Arnold moved to approve Supplement No. 1 to LAN's Construction Management and Inspection Services Agreement for the Kimberley Improvement Project. Director Hodges seconded the motion, and it carried by unanimous vote.

7. Barryknoll Improvement Project

Mr. Fiederlein reported that LAN is incorporating the results of the Regional Drainage Study into the Preliminary Engineering Report for the Barryknoll Improvement Project.

8. Regional Drainage Study

Mr. St. John updated the Board regarding the June 29, 2011, public meeting to review the Regional Drainage Study.

9. Detention Project

Mr. Fiederlein reported that surveying has been completed for the land for the proposed detention facility, and geotechnical and environmental work is underway.

10. Budget, Plan Amendment, and Debt Authorization

Mr. Walters updated the Board regarding the City's work to finalize the CIP and the amended Project Plan and Reinvestment Zone Financing Plan.

The Board discussed the Lumpkin and North Gessner projects which are included in the Authority's budget, and the timing of completion of the projects in the CIP.

11. Convene in Executive Session Pursuant to Section 551.072, Texas Government Code, to Deliberate the Purchase, Exchange, Lease or Value of Real Property

At 8:43 a.m., Director Turet announced the Board would convene in executive session to discuss the purchase, exchange, lease, or value of real property.

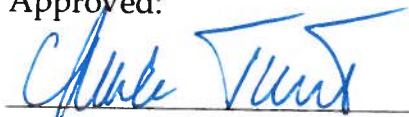
12. Reconvene in Open Session and Authorize Appropriate Action regarding the Purchase, Exchange, Lease or Value of Real Property

At 9:13 a.m., Director Turet announced the Board would reconvene in open session. Director Arnold moved to authorize the Chair to exercise the option notice and execute the purchase agreement provided that additional costs do not exceed \$50,000. The motion was seconded by Director Givens, and was approved by unanimous vote.

13. Adjournment

There being no additional matters for the Board's consideration, Director Arnold moved to adjourn the meeting. Director Givens seconded the motion, and it passed unanimously.

Approved:



Chuck Turet, Chair

TIRZ 17 Redevelopment Authority/Memorial City Redevelopment Authority
City of Houston, Texas